

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

DOCKET NO. 2000-236

March 27, 2000

BANGOR GAS COMPANY, L.L.C.,  
Request for Exemption From Affiliated  
Interest Statute Regarding Bangor  
Hydro-Electric Company Construction  
Of Electric Distribution Line (§ 707)

ORDER

Welch, Chairman; Nugent and Diamond, Commissioners

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**I. SUMMARY**

We approve the proposed transaction between Bangor Gas Company, L.L.C. (Bangor Gas) and its affiliate, Bangor Hydro-Electric Company (BHE), for construction of an electric service line and the provision of service pursuant to BHE's tariff.

**II. BACKGROUND**

On March 10, 2000, Bangor Gas filed a request for an exemption from prior affiliated interest approval pursuant to 35-A M.R.S.A. §707(3)(F) for a transaction in which it proposes to contract with BHE to construct an electric distribution line to serve its pressure limiting station in Orrington. Alternatively, Bangor Gas requested that we find that the transaction is not adverse to the public interest and approve it.

In support of its request, Bangor Gas asserts that 1) the pressure limiting facility is located within BHE's service territory, 2) the arrangement with BHE will be pursuant to BHE's tariffs, 3) BHE submitted the lowest bid for construction of the line, and 4) good cause exists because of Bangor Gas's need to commence construction of the distribution line on or about April 1, 2000 in order to meet its service commitments.

On March 15, 2000, BHE filed a letter requesting that it be made a party to this case, that the Commission grant Bangor Gas a 60-day exemption, and that it approve the transaction. The letter states that BHE would be "undertaking this work in accordance with its line extension tariff and its normal policies and practices."

We find that, as one of two affiliates entering this transaction, BHE is a party in interest in this proceeding, and we grant its request for intervention pursuant to Ch. 110, section 720 of our Rules of Practice and Procedure and Maine Rules of Civil Procedure, Rule 19.

Section 707(3) requires that the commission give its written approval for any contract or arrangement between a utility and an affiliate if it finds that the arrangement is not adverse to the public interest. Section 707(3)(F) authorizes the Commission to

exempt a contract or arrangement between affiliated interests from the statutory requirement for good cause, provided that the exemption may not exceed 60 days and that the Commission thereafter approve or disapprove the contract pursuant to section 707. 35-A M.R.S.A. § 707(3)(F).

Bangor Gas and BHE assert that this transaction appears consistent with BHE's line extension tariff. Staff has reviewed the terms of this transaction and confirms that the price to be charged Bangor Gas is consistent with page 7, section 5.A and page 74, section 7 of BHE's tariffs.

This service is provided pursuant to BHE's approved tariffs, as required by Chapter 820 section 4(A). Therefore, we approve it. Furthermore, our expeditious approval will enable construction to begin on the schedule they propose without need of an exemption or of further regulatory process.

Dated at Augusta, Maine, this 27th day of March, 2000.

BY ORDER OF THE COMMISSION

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Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR:      Welch  
   Nugent  
   Diamond

## NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.